

MEMORANDUM

To: Technical Advisory Committee
From: Chris DeGabriele, Chair
Subject: L/R/T2 Program Funding for FY 2013/14
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November 28, 2012

On September 17, 2012 letters were sent to the cities of Santa Rosa, Rohnert Park, Cotati, Sonoma and to Marin Municipal Water District advising that: 1) those cities/water district have not yet received their full funding allocation under the original SCWA Local Supply/Recycled Water/Tier 2 Conservation funding program, and 2) soliciting project proposals.

The total remaining to be collected and allocated among all remaining recipients is ~\$2.6M. (Attachment 1) Four replies have been received (also Attached). Rohnert Park and Cotati request their full L/R/T2 funding allocation balance. For Rohnert Park this is expected to be \$324,129 and for Cotati this is \$157,235. Both cities request reimbursement of costs spent on rehabilitation of existing potable well supply. The City of Santa Rosa has also replied advising that Santa Rosa anticipates submitting projects for FY 2014/15. MMWD anticipates a project in FY 2018/19 for its remaining balance of \$723,926 and recommends that in addition to funding projects submitted for FY 2013/14, additional funds be collected in the upcoming budgets to fully fund the L/R/T2 projects.

In FY 2012/13, the SCWA O&M Recycled Water and Local Supply sub-charge, at \$15.99/AF, is less than 3% of the total SCWA wholesale water rate and collects approximately \$1M per year. SCWA is using those funds for both Agency and consultant services for the Sonoma Valley Groundwater Management Plan and Santa Rosa Plain Groundwater Study and Management Plan development. Additionally, \$325,000 is expected to be reimbursed in Rohnert Park. SCWA staff anticipates that the level of funding and expenditure for groundwater management will continue in FY 2013/14.

The L/R/T2 Subcommittee met on December 20, 2011 and agreed to propose an additional \$8.25/AF in FY 2012/13 and FY 2013/14 (<1.5% increase this year and next) to provide additional revenue and fulfill the remaining allocations outstanding within a five-year window. The actual amount added in the SCWA FY 2012/13 budget was \$6.99/AF so the additional amount needed this year is ~\$3.41/AF ($\$6.99 + \$3.41 = \10.40 /AF) which would generate just under \$500,000 per year and should be sufficient to meet the L/R/T2 future funding requirements.

RECOMMENDATION: TAC recommend adding \$3.41/AF to the L/R/T2 sub-charge in the SCWA FY 2013/14 budget (total \$10/AF for this program) to generate funds sufficient to reimburse Rohnert Park and Cotati and with the understanding that the sub-charge may be adjusted upon review of the proposed SCWA FY 2013/14 budget.

SONOMA COUNTY WATER AGENCY

**LOCAL SUPPLY / RECYCLED WATER / TIER 2
WATER CONSERVATION FUNDING PROGRAM 10-YEAR ALLOCATION**

		<i>Allocation</i>	<i>Expended</i>	<i>Balance</i>
1	Santa Rosa	5,065,236	3,908,003	1,157,233
2	Petaluma	2,197,913	2,197,913	--
3	Marin Municipal	1,724,026	1,000,000	723,926
4	North Marin	1,846,726	1,846,726	--
5	Rohnert Park	649,629	325,000*	324,629
6	VOM	627,875	627,875	--
7	Sonoma	539,411	264,295	275,116
8	Windsor	86,996	86,996	--
9	Cotati	157,235	--	157,235
10	Forestville	104,953	104,953	--
Total		13,000,000	10,361,861	2,638,139

* Scheduled for payment in FY2012/13

11/13/12

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L/R/T2 file



City Council

Jake Mackenzie
Mayor

Pam Stafford
Vice-Mayor

Amy Ahanotu
Joseph T. Callinan
Gina Belforte
Council Members

Gabriel A. Gonzalez
City Manager

JoAnne Buerger
City Clerk

Michelle Marchetta Kenyon
City Attorney

Alexandra Barnhill
Assistant City Attorney

Brian Masterson
Director of Public Safety

Darrin Jenkins
*Director of Development Services
/ City Engineer*

Cathy Orme
Director of Finance

John McArthur
*Director of Public Works and
Community Services*

September 28, 2012

Mr. Chris DeGabriele
North Marin Water District
P.O. Box 146
Novato, CA 94948

Re: SCWA LRT2 Funding for FY 2013/14

Dear Mr. DeGabriele:

Rohnert Park was approved earlier this year for reimbursement over a two year period for well rehabilitation costs incurred to date.

In recent years, Rohnert Park has spent over \$700,000 on well rehabilitation to preserve and increase the flow rates at its local supply wells. These wells are used to offset peak month demand to the benefit of the other Water Contractors and Sonoma County Water Agency.

"Rehabilitation of Existing Potable Well Supply" is listed on the *Examples of Eligible L/R/T2 Projects and Measures* page of the Guidelines and Project Evaluation Criteria for LRT2.

Rohnert Park's allocation through the LRT2 program is \$649,629 and we are invoicing for \$325,000 during FY 2012/2013 (the amount budgeted by SCWA). The remainder, \$324,629 should be budgeted by SCWA in FY 2013/2014 for Rohnert Park.

Please contact me with any questions or concerns.

Sincerely,

A handwritten signature in cursive script that reads "Darrin Jenkins".

Darrin Jenkins, P.E.
Director of Development Services/City Engineer

Cc: Ellen Beardsley, City of Rohnert Park
Spencer Bader, Sonoma County Water Agency
Lynne Rosselli, Sonoma County Water Agency

LRT2 File

Chris DeGabriele

From: Damien O'Bid [DObid@ci.cotati.ca.us]

Sent: Friday, October 12, 2012 9:25 AM

To: Chris DeGabriele

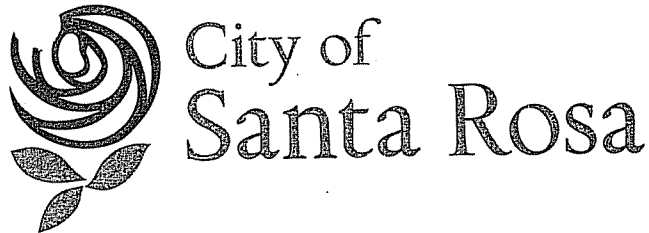
Subject: LRT2

Hi Chris,

We recently completed a full rehab of our green sand filters and municipal wells, which easily exceeds our LRT2 allocation. Please add a project for Cotati to recover the full remaining LRT2 balance. Let me know if you need more project details.

Thanks,

Damien O'Bid, P.E.
City Engineer/Public Works Director
City of Cotati
201 West Sierra Avenue, Cotati, CA 94931-4217
Tel: 707.665.3620, Fax: 707.795.7067



L/R/T2 File
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North Marin Water District

October 16, 2012

Chris DeGabriele
Chair, Technical Advisory Committee
North Marin Water District
P.O. Box 146
Novato, CA 94948

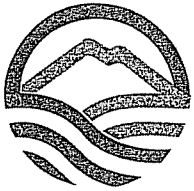
RE: SCWA L/R/T2 Program Funding for FY 2013/14

Dear Mr. DeGabriele,

Thank you for your letter dated September 17, 2012 regarding the Sonoma County Water Agency Local Supply/Recycled Water/Tier 2 Conservation (L/R/T2) funding for FY 2012/13. At this time, the City is not submitting any projects for L/R/T2 funding in FY 2013/14. However, at this time, the City does anticipate submitting project(s) for FY 2014/15.

Sincerely,

Miles A. Ferris
Utilities Director



MARIN MUNICIPAL WATER DISTRICT

220 Nellen Avenue Corte Madera CA 94925-1169
www.marinwater.org

RECEIVED September 21, 2012

SEP 24 2012

North Marin Water District

Chris DeGabriele, General Manager
North Marin Water District
999 Rush Creek Place
Novato CA 94948

RE: Sonoma County Water Agency's L/R/T2 Program Funding For FY 2013-2014

Dear Mr. DeGabriele:

Thank you for your letter of September 17, 2012, regarding FY 2013-2014 funding for the Sonoma County Water Agency's L/R/T2 program. As noted in your letter, the Marin Municipal Water District has a balance of \$723,926. We do not intend to submit a project for FY 2013-2014, but do anticipate submitting the Peacock Gap Recycled Water Project for the balance of the District's funds for FY 2018-2019. I'd like to suggest the L/R/T2 Sub-Committee consider recommending that the Sonoma County Water Agency begin collecting funds for future projects in FY 2013-2014.

Please contact me at (415) 945-1435 should you have any questions.

Sincerely,

Michael Ban, P.E.
Environmental and Engineering Services Manager

MB:mp

cc: Tom Cronin – Interim General Manager